



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग— II खण्ड 2

PART II—Section 2

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 56]

नई दिल्ली, शुक्रवार, नवम्बर 17, 1972/कार्तिक 26, 1894

No. 56]

NEW DELHI, FRIDAY, NOVEMBER 17, 1972/KARTIKA 26, 1894

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिस से कि यह अलग संकलन के रूप में रखा जा सके ।

Separate paging is given to this Part in order that it may be filed as a separate compilation.

LOK SABHA

The following Bills were introduced in Lok Sabha on the 17th November, 1972:—

BILL No. 84 OF 1972

A Bill further to amend the Companies Act, 1956.

BE it enacted by Parliament in the Twenty-third Year of the Republic of India as follows:—

1. (1) This Act may be called the Companies (Amendment) Act, 1972. Short title and commencement.
- (2) It shall come into force at once.

1 of 1956.

2. In section 226 of the Companies Act, 1956 (hereinafter referred to as the principal Act), after sub-section (3), the following sub-section shall be inserted, namely:— Amendment of section 226.

“(3A) A person or a firm shall not also be qualified for appointment or reappointment as an auditor of a company, if he alone or the firm—

- (i) is already holding office of a statutory auditor in 50 or more bodies corporate or corporations set up under any Act of Parliament, or

- (ii) is already holding office of a statutory auditor in 3 or more bodies corporate under the same management within the meaning of section 370 in case the appointment or reappointment is sought to be made for a company under the same management, or
- (iii) is holding an office of profit in the nature of a management consultant in the same company, or
- (iv) is having any partnership or arrangement with any foreigner or a foreign audit firm.”.

Amend-
ment of
section
619.

3. In section 619 of the principal Act, for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) The auditor of a Government company shall be appointed or reappointed by the Central Government and while making such appointment or reappointment the Government shall ensure—

- (a) that the person or the firm to be appointed or reappointed does not already hold a similar office in more than one Government company or a corporation set up under an Act of Parliament;
- (b) that such person or firm has an office in the same State in which the company's registered office is situated;
- (c) that different auditors are appointed for different units or branches of the Government company concerned;
- (d) that there are as many joint auditors as the size and nature of the Government company concerned may warrant; and
- (e) that the same auditor is not appointed for the same Government company or its branch or unit continuously for more than 5 times within a period of 15 years.”.

STATEMENT OF OBJECTS AND REASONS

Of late there has been a great criticism about acute concentration of audit work in the hands of only a few audit firms in the country in spite of the existence of about 6,000 audit firms throughout the country. Moreover, a single audit firm, however big it may be, cannot do justice to an unlimited number of audits. In medical and legal profession there are natural, physical and geographical limitations whereas none exists in the case of audit profession. An auditor by commercialising his concern may take up audit of any number of companies wherever situated. This has led to the situation where desired time and attention is not devoted in auditing company's accounts and the fundamental principle of a profession, namely, personal attention, is getting increasingly absent in case of some audit firms in whose hands the audits of large number of companies have concentrated. The Bill therefore, seeks to put a ceiling of 50 audits per audit firm. This would ensure more personal attention of the auditor concerned. In order to ensure independence of mind of an auditor it is necessary to limit audits only upto 3 companies under the same management and also to disqualify him for audit if he is holding office of profit as management consultant in the same company. It is also proposed to encourage Indian audit talent to save foreign exchange for the country.

At present the auditor of a Government company is appointed by the Central Government only on the advice of the Comptroller & Auditor General of India. This delays the matter and does not permit the Government policy of wider dispersal of audits. Moreover, the Comptroller and Auditor-General already carries out his own audit in case of a Government company and this duplication of his right does not accrue to anybody's advantage. It is also desirable to ensure wider dispersal of Government audits on regional basis and rotation of auditors at least after a period of 5 years.

Hence this Bill.

NEW DELHI;
The 31st July, 1972.

NAWAL KISHORE SHARMA.

BILL No. 94 OF 1972

A Bill further to amend the Constitution of India.

BE it enacted by Parliament in the Twenty-third Year of the Republic of India as follows:—

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| Short
title. | 1. This Act may be called the Constitution (Amendment) Act, 1972. |
| Amend-
ment of
article 22. | 2. In article 22 of the Constitution,—

(a) for clause (3), the following clause shall be substituted,
namely:—

“(3) Nothing in clauses (1) and (2) shall apply to any
person who for the time being is an enemy alien.”;

(b) clauses (4), (5), (6) and (7) shall be omitted. |
| Amend-
ment of
article 32. | 3. In article 32 of the Constitution, to clause (2), the following proviso
shall be added, namely:—

“Provided that notwithstanding anything contained in the
Constitution, the Supreme Court shall have no power to entertain
any proceedings or to issue any direction or order or writ under
clauses (1) or (2) in any matter where any order or direction of any
appropriate Government or authority regarding distribution of lands
vested in the State under any law of Estate Acquisition is called in
question.”. |

4. In article 226 of the Constitution, to clause (1), the following proviso shall be added, namely:—

Amend-
ment of
article
226.

“Provided that notwithstanding anything contained in the Constitution, the High Courts shall have no power to entertain any proceedings or to issue any direction or order or writ under this clause in any matter where any order or direction of any appropriate Government or authority regarding distribution of lands vested in the State under any law of Estate Acquisition is called in question.”.

5. In article 311 of the Constitution,—

Amend-
ment of
article
311.

(i) parts (b) and (c) of the proviso to clause (2) shall be omitted;

(ii) clause (3) shall be omitted.

STATEMENT OF OBJECTS AND REASONS

The provision in the Constitution with regard to enactment of laws for preventive detention is nothing but a blot on our Constitution. It is a great irony that the Constitution of India should contain any provision which takes away the very basic human rights and confers power on the State to enact laws curtailing or taking away such liberty. Under the provisions of article 22 of the Constitution various preventive detention measures have been enacted about which there is a justifiable complaint that the same, by and large, have been misused or used for political purposes. When the ordinary laws of the Land confer on the State powers covering a wide range to deal with the offenders including powers of preventing commission of offences, there is no reason why the organic law of the country should contain provisions to enable the State to make enactments taking away the basic human rights, which is itself enshrined in clauses (1) and (2) of article 22 of the constitution.

The proposed amendments to articles 32 and 226 of the Constitution seek to take away the power of the Supreme Court and the High Courts in matters where any order or direction of any appropriate authority under any law relating to the distribution of lands vested in the State is called in question. It has been the unfortunate experience that by reason of various orders particularly interlocutory orders passed by the Supreme Court and High Courts the steps taken for distribution of lands vested in the State have either been frustrated or inordinately delayed in many cases. The State should have the right, free from any judicial intervention, to distribute the lands acquired by it.

Article 311 of the Constitution seeks to protect the security of service of public servants. The necessity and desirability of such provisions are obvious. But the protection which has been given by articles 311(1) and 311(2) of the Constitution is being considerably made nugatory by taking recourse to parts (b) and (c) of the proviso to article 311(2) of the Constitution. In view thereof, it has become essential that such power should not be left with the executive, however high the office may be, to decide about the desirability and necessity of holding an inquiry.

Hence this Bill.

NEW DELHI;

The 3rd August, 1972.

DINEN BHATTACHARYYA.

BILL No. 93 OF 1972.

A Bill further to amend the Mines Act, 1959.

BE it enacted by Parliament in the Twenty-third Year of the Republic of India as follows:—

1. (1) This Act may be called the Mines (Amendment) Act, 1972.
 - (2) It extends to the whole of India except the State of Jammu and Kashmir.
 - (3) It shall come into force at once.
2. In section 12 of the Mines Act, 1952 (hereinafter referred to as the principal Act), after sub-section (3), the following sub-section shall be added, namely:—
- “(4) (a) Every Mining Board constituted under this Act shall meet at least twice in a year.

Short title,
extent
and
commence-
ment.

Amend-
ment of
section 12.

(b) The chairman or, in his absence, any person chosen by the said persons shall preside at a meeting of a Mining Board.

(c) All questions at a meeting of a Mining Board shall be decided by a majority of the votes of the persons present and voting.

(d) The quorum to constitute a meeting of a Mining Board shall be, as near as may be, one third of the total number of the said persons:

Provided that if there is no quorum the meeting shall be adjourned:

Provided further that if there is no quorum at the subsequent meeting, all questions shall be decided by a majority of the persons present and voting."

Amend-
ment of
section 64.

3. In section 64 of the principal Act for the words "shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to one thousand rupees, or with both", the following shall be substituted, namely:—

"shall be punishable with imprisonment for a term which may extend to three months but shall not be less than one month or with fine which may extend to one thousand rupees but shall not be less than three hundred rupees, or with both"

Amend-
ment of
section
66.

4. In section 66 of the principal Act, after the words "one thousand rupees" the words "but shall not be less than one hundred rupees" shall be added.

Amend-
ment of
section 67.

5. To section 67 of the principal Act, the following proviso shall be added, namely:—

"Provided that the penalty imposed under this section shall not be less than an imprisonment for one month or a fine of three hundred rupees for the first offence."

Amend-
ment of
section 70.

6. In section 70 of the principal Act,—

(1) in sub-section (1), for the words "which may extend to three months, or with fine which may extend to five hundred rupees", the following shall be substituted, namely:—

"which may extend to three months, but not less than six weeks or with fine which may extend to five hundred rupees, but not less than three hundred rupees";

(2) in sub-section (2), for the words "which may extend to three months, or with fine which may extend to five hundred rupees", the following shall be substituted, namely:—

"which may extend to three months, but not less than six weeks or with fine which may extend to five hundred rupees but not less than three hundred rupees"

7. In sub-section (1) of section 72C of the principal Act,—

Amend-
ment of
section
72C.

(1) in clause (a), for the words “which may extend to two years or with fine which may extend to five thousand rupees”, the following shall be substituted, namely:—

“which may extend to two years but shall not be less than six months, or with fine which may extend to five thousand rupees, but shall not be less than one thousand rupees”;

(2) in clause (b), for the words “which may extend to one year, or with fine which may extend to three thousand rupees”, the following shall be substituted, namely:—

“which may extend to one year but shall not be less than three months or with fine which may extend to three thousand rupees but shall not be less than one thousand rupees”; and

(3) in clause (c), for the words “which may extend to three months, or with fine which may extend to one thousand rupees”, the following shall be substituted, namely:—

“for a term of three months or with fine which may extend to one thousand rupees, but shall not be less than three hundred rupees”

8. In section 73 of the principal Act, for the words “which may extend to”, the word “of” shall be substituted.

Amend-
ment of
section 73.

STATEMENT OF OBJECTS AND REASONS

It appears from reports about the working of penal provisions of the Mines Act, 1952 that the Courts have generally taken a very lenient view of the offences under the Act. Consequently, the enactment has not served the desired purpose. Hence the provisions have been proposed for prescribing the minimum sentence. Opportunity has also been taken to amend section 12 of the Act so as to provide that the Mining Boards do meet at least twice a year and take decisions speedily.

NEW DELHI;

S. C. SAMANTA,

The 21st September, 1972.

BILL NO. 97 OF 1972

A Bill further to amend the Coir Industry Act, 1953.

BE it enacted by Parliament in the Twenty-third Year of the Republic of India as follows :—

- | | | |
|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| | 1. This Act may be called the Coir Industry (Amendment) Act, 1972 | Short title |
| 45 of 1953 | 2. In sub-section (2) of section 10 of the Coir Industry Act, 1953 (hereinafter referred to as the principal Act),— | Amendment of Section 10. |
| | (i) for clauses (a) and (b), the following clauses shall be substituted, namely:— | |
| | “(a) promoting export of coir, coir yarn and coir products, increasing consumption in India of coir, coir yarn and coir products and carrying on propaganda for that purpose; | |
| | (b) regulating under the supervision of the Central Government— | |
| | (i) production, stocking and sale of husks by registering and licensing retters and retting places; | |
| | (ii) production of coir yarn and coir products by registering coir spindles and looms and other equipment for | |

manufacturing coir products as also coir industrial establishments, and manufacturers of coir products;

(iii) registration of exporters of coir, coir yarn and coir products and licensing of exports of coir, coir yarn and coir products;

(iv) export of coir, coir yarn and coir products by taking deposits or in any other appropriate manner for preventing unfair competition amongst exporters and shippers;";

(ii) for clause (h) the following shall be substituted, namely:—

"(h) ensuring remunerative returns to producers of husks, coir fibre and coir yarn and manufacturers of coir products and to workers engaged in the retting of husks, production of coir, coir yarn and coir products;";

(iii) for clause (i) the following clause shall be substituted, namely:—

"(i) registering and licensing of retters and retting places and warehouses and otherwise regulating the stocking and sale of husk, both raw and retted, within the country and stocking and sale of coir, coir yarn and coir products both for the internal market and for exports;";

(iv) after clause (i) the following clause shall be inserted:—

"(ii) securing better working conditions and provision and improvement of amenities for workers engaged in the coir industry;".

Amend-
ment of
Section 20.

3. After sub-section (2) of section 20 of the principal Act, the following sub-sections shall be added, namely:—

"(3) Any person who being required by or under any of the provisions of this Act or the rules made thereunder to furnish any return, fails to furnish return, or furnishes a return containing any particular which is false and which he knows to be false or does not believe to be true, shall be punishable with fine which may extend to five hundred rupees.

(4) Whoever contravenes or attempts to contravene or abets the contravention of any of the provisions of this Act or of any rules made thereunder, other than the provisions punishment for the contravention whereof has been provided for in sub-section (1) of this section, shall be punishable with fine which may extend to five hundred rupees and in the case of a continuing contravention with an additional fine which may extend to five hundred rupees for every day during which such contravention continues after conviction for the first such contravention.

(5) No court other than the Court of a Magistrate of the First Class shall take cognizance of and try any offence punishable under this Act or any rule made thereunder."

Amend-
ment of
Section 21.

4. In sub-section (1) of section 21 of the principal Act, for the words and figures "under section 12", the words "under this Act or any rule made thereunder" shall be substituted.

5. In sub-section (2) of section 26 of the principal Act,—

Amend-
ment of
Section 26

(i) for clause (k) the following clause shall be substituted
namely:—

“(k) the registration and licensing of retters and retting places and the conditions for such registration and licensing; the registration of coir spindles, looms and other equipment for the manufacture of coir products as also the registration of coir industrial establishment, and of manufacturers of coir products and the conditions for such registration; the registration of exporters of coir, coir yarn and coir products and the conditions for such registration; the grant or issue of licences for export and other licences under this Act or the rules made thereunder and the conditions for such grant or issue; fees to be levied in respect of such registration and licenses, and the suspension and cancellation of such registration and licences”; and

(ii) after clause (m), the following new clause shall be inserted, namely:—

“(mm) securing better working conditions and improvement of amenities and incentive for workers;”.

STATEMENT OF OBJECTS AND REASONS

The Coir Industry Act, 1953, does not provide for measures for improving the working conditions of workers engaged in the Coir Industry. The Bill seeks to secure better working conditions and amenities for these workers.

The Bill also provides for penalty for submitting false returns and for violation of the provisions of the Act or the Rules made thereunder.

Besides providing amenities and securing better working conditions of the workers, the registration and licensing of retters, retting places, coir spindles, looms and other equipment for manufacture of coir, etc. has been provided for in the Bill in order to have complete and accurate statistics of the Coir Industry.

Hence this Bill.

S. C. SAMANTA

NEW DELHI;

The 21st September, 1972.

BILL NO. 96 OF 1972

A Bill further to amend the Delhi Rent Control Act, 1958.

BE it enacted by Parliament in the Twenty-third Year of the Republic of India as follows :—

1. (1) This Act may be called the Delhi Rent Control (Amendment) Act, 1972. Short title and commencement.
- (2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

- 59 of 1958. 2. In section 2 of the Delhi Rent Control Act, 1958, for clause (1), the following clause shall be substituted and shall be deemed always to have been substituted, namely :— Amendment of section 2.

“(1) “tenant” means any person by whom or on whose account or behalf the rent of any premises is, or but for in special contract would be, payable and includes a sub-tenant, the surviving spouse, or any son or daughter, of a deceased tenant who had been living with the tenant in the building as a member of the tenant’s family upto the death of the tenant and also any person continuing in possession after the termination of his tenancy, but shall not include any person against whom any order or decree for eviction has been made;”.

STATEMENT OF OBJECTS AND REASONS

The Bill seeks to further amend the Delhi Rent Control Act, 1958 to enable the surviving spouse, or any son or daughter, of a deceased tenant, who had been living with the tenant in the premises as a member of the deceased tenant's family upto the death of the tenant, to continue in occupation of the premises in which he/she was living with the deceased tenant. The principal Act is a draconian measure insofar as it does not safeguard their interests. A very large number of cases of eviction are pending in various courts. The landlords, with a view to fetch high rents from new tenants, have started legal proceedings for eviction against the surviving spouse, sons and daughters of the deceased tenant who were living with the tenant at the time of his death. The Bill would, on the one hand, enable reduction in the burden of courts to some extent and on the other hand would give relief to thousands of families facing eviction on account of this flaw in the principal Act.

SHASHI BHUSHAN.

NEW DELHI;
The 3rd October, 1972.

S. L. SHAKDHER,
Secretary.